

**Department of Planning and Budget**  
**2021 Fiscal Impact Statement**  
**Special Session 1**

**1. Bill Number:** HB2318ER

<b>House of Origin</b>	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
<b>Second House</b>	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

**2. Patron:** Roem

**3. Committee:** Passed both houses.

**4. Title:** Test driving vehicles; residence districts; civil penalty.

**5. Summary:** This bill authorizes localities by ordinance to require motor vehicle dealers in the locality to notify a buyer or potential buyer that test driving a motor vehicle in a residence district that has been designated for increased fines is prohibited, unless the buyer or potential driver is driving to or from his residence. The bill requires the locality to notify licensed motor vehicle dealers located within the locality of the enactment of such ordinance and send a copy of such notification to the Motor Vehicle Dealer Board. The bill authorizes the locality to notify the Board if a buyer or potential buyer is convicted of a traffic infraction while conducting a test drive in a prohibited location. The bill provides that the Board may determine if the proper notice was given and impose a civil penalty if such notice was not given.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See Item 8.

**8. Fiscal Implications:** This bill provides that if a locality chooses to notify the Motor Vehicle Dealer Board (MVDB) of a violation of the local ordinance requiring notice of prohibiting test drives in residential districts of counties, cities, and towns with a designated maximum speed limit to buyers or potential buyers, MVDB would be required to conduct investigations of those violations and adjudicate those violations to completion. Based on current staffing and resources, the MVDB would be able to absorb the costs of investigation and adjudication of violations created under the bill. The MVDB has the capacity to address data storage and collection of the notices provided by localities to licensed dealers upon the creation of a local ordinance prohibiting test drives in residential districts of counties, cities, and towns with a designated maximum speed limit. It is anticipated that no additional programming will be required to implement this legislation.

**9. Specific Agency or Political Subdivisions Affected:** Motor Vehicle Dealer Board, Department of Motor Vehicles.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.